



North Carolina Department of Health and Human Services
Division of Medical Assistance

2501 Mail Service Center • Raleigh, N. C. 27699-2501
Tel 919-855-4100 • Fax 919-733-6608

Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

L. Allen Dobson, Jr., M.D., Assistant Secretary
for Health Policy and Medical Assistance

MEMORANDUM

TO: DMA Management & State Plan E-mail Subscribers
FROM: Kris M. Horton, State Plan Coordinator
SUBJECT: Update to State Plan for Medical Assistance (114)
DATE: June 26, 2006

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The following changes were made in the NC Medicaid State Plan manual. You may view the Plan on DMA's website at <http://www.dhhs.state.nc.us/dma/sp.htm>.

SPA# 05-012

OLD PAGES: Attachment 4.19-A, Page 21;

Att. 4.19-B, Section 5, Page 1; Att. 4.19-B, Section 9, Page 2; Att. 4.19-B, Section 12, Page 4; Att. 4.19-B, Section 18, Page 1; Att. 4.19-B, Section 19, Page 1; Att. 4.19-B, Section 19, Page 2; Att. 4.19-B, Supplement 1, Page 1; Att. 4.19-B, Supplement 2, Page 1; Att. 4.19-B, Supplement 3, Page 1; 4.19-B, Supplement 4, Page 1;

Att. 4.19-D, Page 6; Att. 4.19-D, Page 7.

NEW PAGES: Attachment 4.19-A, Page 21; Attachment 4.19-A, Supplement 1, Page 1;

Att. 4.19-B, Section 5, Page 1; Att. 4.19-B, Section 9, Page 2; Att. 4.19-B, Section 12, Page 4; Att. 4.19-B, Section 18, Page 1; Att. 4.19-B, Section 19, Page 1; Att. 4.19-B, Section 19, Page 2; Att. 4.19-B, Supplement 1, Page 1; Att. 4.19-B, Supplement 1, Page 2; Att. 4.19-B, Supplement 2, Page 1; Att. 4.19-B, Supplement 3, Page 1; 4.19-B, Supplement 4, Page 1;

Att. 4.19-D, Page 6; Att. 4.19-D, Page 7; Att. 4.19-D, Supplement 1, Page 1.

For your records, please find attached: Attachment 4.19-A, Page 21 Eff. 7/1/05; which has been replaced by Attachment 4.19-A Page 25 Eff. 10/1/05.

Feel free to contact me at (919) 855-4109 should you have questions or concerns.

KMH/pwr

Attachment

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payments for Medical and Remedial Care and Services: Inpatient Hospital

(e) Days for authorized nursing facility level of care rendered in an acute care hospital shall be reimbursed at a rate equal to the average rate for all such Medicaid days based on the rates in effect for the long term care plan year beginning each October 1. Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19-A, Supplement 1, Page 1 of the State Plan.

Days for lower than acute level of care for ventilator dependent patients in swing-bed hospitals or that have been down-graded through the utilization review process may be paid for up to 180 days at a lower level ventilator-dependent rate if the hospital is unable to place the patient in a lower level facility. An extension may be granted if in the opinion of the Division of Medical Assistance the condition of the patient prevents acceptance of the patient. A single all inclusive prospective per diem rate is paid, equal to the average rate paid to nursing facilities for ventilator-dependent services. The hospital must actively seek placement of the patient in an appropriate facility.

(f) The Division of Medical Assistance may make a retrospective review of any transfers to a lower level of care prior to the expiration of the average length of stay for the applicable DRG. The Division of Medical Assistance may adjust the DRG payment if the transfer is deemed to be inappropriate, based on the preponderance of evidence of a case by case review.

(g) In state-operated hospitals, the appropriate lower level of care rates equal to the average rate paid to state operated nursing facilities, are paid for nursing facility level of care patients awaiting placement in a nursing facility bed.

(h) For an inpatient hospital stay where the patient is Medicaid eligible for only part of the stay, the Medicaid program shall pay the DRG payment less the patient's liability or deductible, if any, as provided by 10 NCAC 50B .0406 and .0407. (see page 28-28(c) of this plan)

COST REPORTING AND AUDITS

Annual cost reports shall be filed as directed by the Division of Medical Assistance in accordance with 42 CFR 447.253 (f) and (g).

TN. No. 05-012

Supersedes

TN. No. 01-12

Approval Date: 03/21/2006

Eff. Date: 07/01/2005